



City of Cleveland Facsimile
Jane L. Campbell, Mayor

Department of Public Health Division of Air Quality 1925 St. Clair Avenue Cleveland, Ohio 44114 - 2080 (216) 664-2300 - FAX (216) 420-8047	To:	Fax No.:
	Jeff Bratko	(312) 353-8289
	From:	Telephone:
	Valencia White	(216) 664-2953
	Date:	Number of Pages: 17
	Dec. 4, 2003	(Total including this cover sheet)
Sender Has <input checked="" type="checkbox"/> Has Not <input type="checkbox"/> called ahead to announce transmission. If transmission is not complete, please call sender at phone number listed above		

Comments:

Jeff, if you have any questions give me
call.

Thanks,
Valencia

**City of Cleveland**

Jane L. Campbell, Mayor

Department of Public Health
Division of the Environment
1925 St. Clair Avenue
Cleveland, Ohio 44114-2080
216/664-2300
www.city.cleveland.oh.us

**SERVING OHIO EPA AS AGENCY 13
FOR CUYAHOGA COUNTY**

CERTIFIED MAIL 7002 0510 0002 2427 7843
RETURN RECEIPT REQUESTED

October 10, 2003

William J. Hocevar, PE.
Morgan Electro Ceramics
232 Forbes Road
Bedford, Ohio 44146

**NOTICE OF VIOLATION: OPERATING WITHOUT A PERMIT TO INSTALL FOR
P001 AND P019, EXCEEDING EMISSIONS LIMITATIONS OF PTI #13-3371
AND 40 CFR 63 SUBPART T, OPERATING WITHOUT TITLE V PERMIT, FAILURE
TO SUBMIT FEE EMISSIONS REPORTS SINCE 1996
FACILITY ID: 13-18-03-1627**

Dear Mr. Hocevar:

On September 18 and October 6, 2003, the Cleveland Local Air Agency (CLAA) inspected Morgan Electro Ceramics located at 232 Forbes Road in Bedford. This letter serves as notification that you are operating sources in violation of applicable statutes, regulations, or permit conditions. Morgan Electro Ceramics was found to be not in compliance with requirements for filing an application for a Title V permit and submitting Fee Emissions Report (FER) and Emission Inventory Summary (EIS) from 2002 to present.

Morgan Electro Ceramics is in violation of the Ohio Administrative Code (OAC) Rule 3745-31-02(A)(1), 3745-77-04 (D), 3745-78-02(A), the Ohio Revised Code (ORC) sections 3704.05(A), (C), (G), ORC section 3745.11(C)(1) and PTI #13-3371 general terms and conditions.

These are the applicable sections of the Ohio Revised Code (ORC) 3704.05:

- (A) No person shall cause, permit, or allow emissions of an air contaminant in violation of any rule adopted by the director of environmental protection...
- (C) No person who is the holder of a permit issued under division (F) or (G) of section 3704.03 of the Revised Code shall violate any of its terms and conditions.
- (G) No person shall violate any order, rule, or determination of the director issued, adopted, or made under this chapter.

OAC Rule 3745-31-02(A)(1) provides the following:



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Except as provided in rule 3745-31-03 of the Administrative Code, no person shall cause, permit or allow the installation of a new source of air pollution... without first obtaining a permit to install from the director.

In 1999, Morgan replaced P019: (VPD-24) Liberty 2002-2-SP Vapor Degreaser with a Finishing Equipment 6342 Vapor Degreaser without first obtaining a permit to install.

In 2002, Morgan replaced the Nyro Spray Dryer of P001, without first obtaining a Permit to Install (PTI). On February 25, 2002, Morgan Electro Ceramics submitted a PTI application for only part of P001. Based on the information submitted to CLAA, on April 3, 2002, CLAA sent Morgan Electro Ceramics a letter stating that P001 was de minimis. On April 8, 2003, Morgan submitted a facility-wide emissions inventory identifying P001 as non-insignificant.

In 2003, Morgan exceeded the three month rolling average emissions limitations outlined in 40 CFR 63 Subpart T and PTI #13-3371 for P019: (VPD-24) Finishing Equipment 6342 Vapor Degreaser and L001: (VPD-34) Baron Blakeslee open top vapor degreaser.

This is the applicable section of the Ohio Administrative Code (OAC) 3745-77-04 (D) requiring a Title V facility to submit a Title V permit application:

A timely application for a source applying for a Title V permit for the first time, other than a source required to file under paragraph (B) of this rule, is one that is submitted within twelve months after the source becomes subject to the Title V permit program...

Although Morgan Electro Ceramics did file a Title V Permit application, in 1996, they withdrew the application and failed to resubmit the Title V application or pay appropriate Title V fees. This is the applicable section of the OAC 3745-78-02(A) requiring the submission of FER's:

By June 15, 1994 and April fifteenth of each year thereafter, owners or operators of sources subject to the Title V permit program pursuant to rule 3745-77-02 of the Administrative Code ... must submit, in a form and manner prescribed by the director, a fee emission report that quantifies the actual emission data for particulate matter, sulfur dioxide, organic compounds, nitrogen oxides and lead (but shall not also be considered particulate matter). The owner or operator of a facility shall pay fees on the facility's actual emissions as specified in division (C) of section 3745-11 of the Revised Code.

Since Morgan Electro Ceramics has not filed a Title V Permit application, this is the applicable section of the OAC 3745-15-03 requiring the submission of an Emission Inventory Statement (EIS):

The director may require the keeping and periodic submission of records and reports, including but not limited to, information on air contaminants, emissions or fuel from any or all potential sources for purposes of maintaining an air



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Prevention (OPP). OPP can be contacted at <http://www.epa.state.oh.us/opp> or (614) 644-3469 and there is no charge for their services.

CLAA issues this letter with Ohio EPA's concurrence and does not excuse any violations of local, state and federal laws or regulations regarding air pollution control. Violations of air pollution control laws may be pursued in local court or referred to Ohio EPA or USEPA for further enforcement action. Should you have any questions, please call Valencia White at (216) 664-2953. All correspondence with CLAA must include the Ohio EPA facility identification number for Morgan Electro Ceramics: 13-18-03-1627.

Sincerely,

A handwritten signature in black ink, appearing to read 'George Baker'.

George Baker
Chief of Enforcement, CLAA

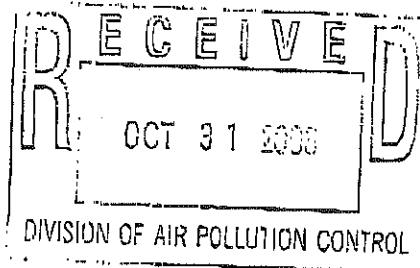
GB/vw *AS*

cc: Michael J. Krzywicki, CLAA
Tammy Van Walsen, Ohio EPA Central Office
Lisa Holscher, USEPA Region V
Facility File and L:\Data\Facilities\1318031627\20030918 NOV.doc

**Morgan
Electro Ceramics**

October 30, 2003

Mr. George Baker
Chief of Enforcement
Cleveland Local Air Agency
1925 St. Clair Avenue NE
Cleveland, OH 44114



232 Forbes Road
Bedford
Ohio 44146-5418
USA

Tel: (440) 232-8600
Fax: (440) 232-8731
www.morganelectroceramics.com

Re: Response to the October 10, 2003 Notice of Violation concerning alleged Ohio Administrative Code and Ohio Revised Code violations for the Morgan Electro Ceramics, Inc. Facility in Bedford, Ohio. Facility ID: 13-18-03-1627.

Dear Mr. Baker:

On October 20th, 2003 Morgan Electro Ceramics, Inc. received a Notice of Violation (NOV) from the Cleveland Local Air Agency (CLAA), dated October 10, 2003, concerning the Morgan Electro Ceramics facility located at 232 Forbes Road in Bedford, Ohio. This letter and attachments are respectfully submitted by Morgan Electro Ceramics in response to the NOV and the request for information contained within.

Morgan Electro Ceramics thanks CLAA for granting them the opportunity to respond to the alleged violations contained within the NOV and for their willingness to resolve these matters as expeditiously as possible. However, there exists some confusion and potential misinterpretation of the facts in the October 10, 2003 NOV. Accordingly, Morgan Electro Ceramics must take issue with the assertion that their facility is in violation with Ohio Administrative Code (OAC) Rules 3745-31-02(A)(1), 3745-77-04 (D), 3745-78-02(A), the Ohio Revised Code (ORC) 3704.05(A), (C), (G), and ORC Section 3745.11(C)(1).

Compliance Violations Suggested by the October 10, 2003 NOV.

Failure to submit a Permit to Install Application for P019. Page 2, Paragraph No. 1 of the NOV stipulates that *"In 1999, Morgan replaced P019: (VPD-24)) Liberty 2002-2-SP Vapor Degreaser with a Finishing Equipment 6342 Vapor Degreaser without first obtaining a permit to install."*

On February 9, 1999 Morgan Electro Ceramics submitted a letter to Ms. Jane Bell, Cleveland Air Pollution Control. The letter was submitted after a telephone conversation with Ms. Jane Bell regarding the replacement of a vapor degreaser and associated air pollution control equipment for the emission unit P019. A copy of the letter is attached as Attachment A. The letter explains that Morgan Electro Ceramics was planning on replacing the existing vapor degreaser (P019) with a vapor degreaser of similar (lesser) size and the same or greater level of air pollution control equipment. The letter further explained that the unit will be used in the same capacity, occupy the same building area as the existing vapor degreaser, would not result in an increase in emissions and therefore would not be considered a "modification", as defined in OAC 3745-31-01(MM) (Currently 3745-31-01 (AAA)). Based on this determination that the replacement equipment would not be considered a "modification", the existing



permitted source would not be required to submit a Permit to Install application. At that time, Mr. Matt Kupcak, a consultant with Temco Associates Corporation, had a telephone conversation with Ms. Bell in which Ms. Bell stated that she agreed with this interpretation. Ms. Bell noted that ultimately it was Morgan Electro Ceramics' responsibility to make this determination and that she did not feel that a written response was warranted.

Based on the OAC definition of "modification" at the time of the replacement of the existing vapor degreaser (P019) Morgan Electro Ceramics was not required to submit a permit to install application for P019. Furthermore, Morgan Electro Ceramics notified the Local Air Pollution Control Agency of this determination and obtained agreement from their office that a permit to install application was not required. Therefore, a permit to install application was not and is not required for P019 and as such, Morgan Electro Ceramics has not attached a permit to install application for P019 with this letter submittal, as requested in your October 10, 2003 NOV.

Failure to submit a Permit to Install Application for P001. It is unclear in your NOV why your office is requesting Morgan Electro Ceramics to submit a Permit to Install application for P001. Morgan Electro Ceramics would like to set forth the facts in this letter to demonstrate why it that P001 does not require submission of a PTI application. Page 2, Paragraph No. 2 of the NOV states that, *"In 2002, Morgan replaced the Nyro Spray Dryer of P001, without first obtaining a permit to install (PTI). On February 25, 2002, Morgan Electro Ceramics submitted a PTI application for only part of P001. Based on the information submitted to CLAA, on April 3, 2002, CLAA sent Morgan Electro Ceramics a letter stating that P001 was de minimis. On April 8, 2003, Morgan submitted a facility-wide emissions inventory identifying P001 as non-insignificant."*

As a point of clarification, Morgan Electro Ceramics did not replace the Nyro Spray Dryer of P001. Morgan Electro Ceramics replaced the existing cyclone and wet scrubber with a new cyclone and a pulse-jet baghouse. Complete permit to install and operate applications for P001 were originally submitted to the Local Air Pollution Control Agency in 1975 and a registration status permit was issued on 9/15/75. The registration status permit was a combination of mixers, a spray dryer and an electric ceramic kiln. Information relating to the permit history of P001, including letters of registration, status notification, Appendix A (process information) from the permit applications and a process flow diagram submitted with each permit renewal application is included as Attachment B. During the entire historical operation of this emission unit, no modifications have been made which resulted in the increase of any air pollutant emitted or the emission of any air pollutant not covered by the registration status permit. Since 1975, this application for renewal has been re-submitted to the Local Air Pollution Control Agency in 1978, 1980, 1983, 1986, 1989, 1992 and again in 2002.

On January 28, 2002, Morgan Electro Ceramics submitted a PTI application and cover letter to Mr. David Hearne of the Cleveland Air Pollution Control Agency. A copy of this cover letter is included as Attachment C. The cover letter explained to Mr. Hearne that the Nyro Spray Dryer was covered under a registration status permit and that Morgan Electro Ceramics was planning on replacing certain air pollution control equipment that might be considered a "modification" under OAC 3745-31-01 (AAA). The letter requested the Nyro Spray Dryer be removed from the registration status permit and the enclosed permit to install application be processed for the Nyro Spray Dryer.

After receipt and review of the PTI application package, Mr. David Purchanski with the Cleveland Bureau of Air Pollution Control telephoned Mr. Matt Kupcak, consultant for Morgan Electro Ceramics, and explained that the Bureau did not believe that the replacement of the air pollution control equipment

met the definition of a "modification" and that the Nyro Spray Dryer and P001 in general met the definition of a "de minimis" exemption per OAC 3745-15-05 and were therefore exempt from obtaining state permits. On April 3, 2002, Mr. Purchanski submitted a letter to Morgan Electro Ceramics explaining the position of the Bureau that P001 and specifically the modifications to the Nyro spray dryer did not require state permits. He also returned the unprocessed permit to install application that Morgan Electro Ceramics had submitted to the Bureau. A copy of this letter is attached as Attachment D.

Morgan Electro Ceramics relied upon this information and installed the air pollution control equipment without obtaining a permit to install and/or operate. Additionally, Morgan Electro Ceramics replaced similar air pollution control equipment on the mixing operations of registration status source P001. Morgan Electro Ceramics relied on the previous determination by the Cleveland Bureau of Air Pollution Control in determining that replacing an existing wet scrubber with a new wet scrubber did not meet the definition of a modification and the emission unit (P001) should be considered a "de minimis" source.

Based on this information, Morgan Electro Ceramics asserts that the operation of P001 has been reviewed by the Ohio EPA Central office at least 7 times dating back to 1975 and by the Cleveland Local Air Pollution Control Agency at least 8 times, the last time occurring in February 2002. Each office has consistently and independently viewed P001 as a "de minimis" source, which would not need a state operating permit. As repeatedly agreed to by both the Ohio EPA Central Office and the Cleveland Local Air Pollution Control Agency, source P001 is classified as a "de minimis" source and therefore is not required to submit and/or obtain a state operating permit. Based on this information, Morgan Electro Ceramics does not believe that submittal of a permit to install application for P001 is warranted and has not included one with this letter submittal, as requested in the October 10, 2003 NOV..

Morgan Electro Ceramics did submit a facility-wide emission inventory on April 8, 2003 identifying P001 as non-insignificant. The basis for the designation of P001 as "non-insignificant" was the uncontrolled potential to emit calculation for the Nyro Spray dryer. The uncontrolled emissions from the Nyro Spray dryer were evaluated prior to the above discussed replacement of air pollution control equipment on the Nyro spray dryer. Based on the results of this evaluation by a consultant, the above mentioned permit to install application and a request for specific limits to the source maintaining them below Title V thresholds was submitted to the Local Air Pollution Control Agency. When the determination from the Cleveland Bureau of Air Pollution was returned to the facility on April 3, 2003 stating that the source was a "de minimis" source which did not need a state operating permit, the facility modified the emission inventory calculation and P001 was physically designated again as "Insignificant". The unrevised emission inventory, incorrectly identifying P001 as "significant", was submitted as an oversight. A revised emission inventory, relying upon the direction of the Cleveland Bureau of Air Pollution Control and the Ohio EPA central office and correctly classifying P001 as "Insignificant" is attached as Attachment E.

Failure to submit an Ohio EPA Title V Application and pay associated Title V Fees. The basis for these claims is founded in two assertions. The first being found on page 2, paragraph 5, *"Although Morgan Electro Ceramics did file a Title V Permit application, in 1996, they withdrew the application and failed to resubmit the Title V application or pay appropriate Title V fees."*

In September of 1996, Morgan Electro Ceramics electronically submitted a Title V Application (Control No. 000003531) for their Bedford, Ohio facility. The submission was intended to serve as a complete facility Permit to Operate application requesting federally enforceable limitations on the facility's perchloroethylene usage. During the permit review process and subsequent requests for additional

Mr. George Baker
October 30, 2003

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information from the Cleveland Local Air Pollution Control Agency, Morgan Electro Ceramics became aware of the fact that facility perchloroethylene usage had been reduced to the point that actual and potential emissions of perchloroethylene were below the major source thresholds, therefore nullifying the requirement for a federally enforceable facility state operating permit. Based on this information a letter was sent to Mr. Ed Fasko with the Cleveland Air Pollution Control Agency on February 6, 1998, requesting that the application submittal (Control No. 000003531) be removed from the STARShip database and all paperwork related to this application be returned to the Bedford facility. The letter went on to explain how a combination of more sophisticated emission estimates and engineering and operational changes resulted in the facility's actual and potential emissions of perchloroethylene being far below the major source threshold. The letter also included emissions summary tables for calendar years 1996 and 1997 and a completed and signed Title V Applicability Questionnaire. A copy of this letter is attached as Attachment F.

On February 18, 1998 Morgan Electro Ceramics received a letter from Ms. Jane Bell, with the Cleveland Air Pollution Control Agency stating that they had received the letter and were taking the necessary steps to withdraw the application from their system and that a copy of the information had been forwarded to Ohio EPA Central Office for withdrawal from their systems. A copy of the letter is attached as Attachment G. Since that time Morgan Electro Ceramics has paid and continues to pay the fees associated with a non-title V source. Additionally, Morgan Electro Ceramics has and continues to submit a facility-wide emission inventory. Based on the continued emission inventories conducted and the most recent one (attached as Attachment E), the facility is NOT a major source of emissions of any criteria or hazardous air pollutants and therefore is NOT required to submit a Title V Permit Application or obtain a Title V Operating permit for the facility. Additionally, as the facility is not part of the Title V Operating Permit Program, the facility does not need to pay Title V fees.

The second assertion that Morgan Electro Ceramics must submit a Title V permit application comes from the statement on page 3, paragraph 2, that Morgan Electro Ceramics is in violation of the General Terms and Conditions for PTI #13-3371. The reference of these General Terms and Conditions being to OAC 3745-77-04(D), which requires, "*A timely application for a source applying for a Title V permit for the first time, other than a source required to file under paragraph (B) of this rule, is one that is submitted within twelve months after the source becomes subject to the Title V permit program...*"

Morgan Electro Ceramics has and will continue to conduct annual emissions inventories to determine their major source status. Morgan Electro Ceramics is aware of the requirements for submitting and obtaining permits to install and permits to operate for certain new sources and modifications to existing ones. As described above and demonstrated in Attachment E, Morgan Electro Ceramics is NOT a major source of emissions of criteria or hazardous air pollutants and as such, is NOT subject to the Title V permit program. Therefore, Morgan Electro Ceramics is not required to submit a Title V permit application and has not included one with this submission, as requested in the October 10, 2003 NOV.

Exceedance of the three month rolling average emission limitations for sources P019 and L001. (Page 2, Paragraph 3). Morgan Electro Ceramics agrees with the statement that they have exceeded the 3-month rolling average emissions limitations outlined in the permits-to-operate and 40 CFR 63 Subpart T. The permit terms and conditions require Morgan Electro Ceramics to track their emissions and report exceedances on a quarterly basis. Morgan Electro Ceramics is aware of this situation and has prepared and submitted in the required time frames the required reports to the appropriate agencies. Additionally, Morgan Electro Ceramics has initiated a root cause investigation of the reasons for the emission

October 30, 2003

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excursions and has taken the necessary steps to ensure the vapor degreasers do not exceed their emission limitations in the future.

Request for Information

The October 10, 2003 Notice of Violation has specifically requested Morgan Electro Ceramics prepare and submit certain information to your office. Morgan Electro Ceramics has reviewed this request for information carefully and has included the following information with this submittal.

- A complete process description for P001 is included with Attachment B. Attachment B includes information relating to the permit history of P001; including letters of registration status notification, Appendix A (process information) from the permit applications and a process flow diagram. This is the same information that has been submitted to your office during the entire historical operation of this emission unit. With the exception of the replacement of the control equipment described previously in this letter, this emission unit (P001) has remained unchanged since the original permit application was submitted in 1975.
- A complete list of all air pollution control equipment associated with P001 is included in Attachment H.
- Raw material usage for P001 for calendar year 2002 is included in Attachment I.
- The end product manufactured from P001 is piezoelectric ceramic prepared for high firing as stated in Appendix A of Attachment B.
- A facility flow diagram is included in Attachment J.

The request for a complete permit to install application for sources P001 and P019 are not included with this letter submittal. Morgan Electro Ceramics has described in detail the reason(s) that we do not believe P001 and P019 require permit to install applications. At this time, it would require substantial effort and expense on the behalf of Morgan Electro Ceramics to provide this information to your office and we would respectfully request additional information as to why this information is pertinent before preparing and submitting such information. It is also unclear as to why your office requested such documents and did not request Morgan Electro Ceramics to submit requested applications to the appropriate permitting authority.

The request for a complete Title V permit application for the facility is not included with this letter submittal. Morgan Electro Ceramics has described in detail the reason(s) that we do not believe the facility is subject to the Title V Permit program and as such does not need to submit a Title V permit application. At this time, it would require substantial effort and expense on the behalf of Morgan Electro Ceramics to provide this information to your office and we would respectfully request additional information as to why this information is pertinent before preparing and submitting such information. Additionally, Morgan Electro Ceramics asserts that fourteen (14) days is not sufficient time to prepare a complete Title V permit application. It is also unclear as to why your office requested these documents sent to them and did not request Morgan Electro Ceramics to electronically submit the requested Title V permit application to the Ohio EPA Central office and copy the Cleveland Local Air Agency.

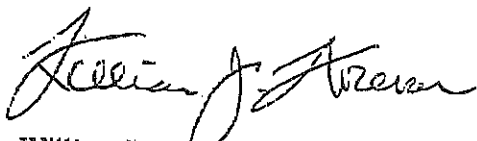
Mr. George Baker
October 30, 2003

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While Morgan Electro Ceramics would like to resolve this matter as expeditiously and appropriately as possible, due to the inaccuracies and misinterpretations contained in your October 10, 2003 Notice of Violation, which have been described above, Morgan Electro Ceramics respectfully requests that your office review this submittal carefully and contact Mr. William Hovevar at (440) 232-8600, as soon as reasonably possible to discuss any remaining questions or concerns that you may have regarding these issues. After any questions regarding this NOV have been resolved, Morgan Electro Ceramics respectfully requests that your office withdraw the NOV and notify Morgan Electro Ceramics in written form reflecting the compliance status of the facility.

Thank you for your consideration in this matter and we look forward to your response.

Sincerely,



William J. Hovevar, Facility Manager - Morgan Electro Ceramics, Inc.

cc: Peter Morten, President - Morgan Electro Ceramics, Inc.
Mike Wentzel, Corporate EH & S Manager - Morgan Advanced Ceramics
Al Metcalfe, Production Manager - Morgan Electro Ceramic, Inc.
Matt Kupcak - KMK Environmental, Inc.
Valencia White - CLAA
Tammy Van Walsen - Ohio EPA Central Office

**City of Cleveland**

Jane L. Campbell, Mayor

Department of Public Health
Division of the Environment
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**SERVING OHIO EPA AS AGENCY 13
FOR CUYAHOGA COUNTY**

**CERTIFIED MAIL 7002 0510 0002 2427 7744
RETURN RECEIPT REQUESTED**

November 11, 2003

William J. Hocevar
Facility Manager
Morgan Electro Ceramics, Inc.
232 Forbes Road
Bedford, Ohio 44146

**RECEIPT OF CORRECTIVE ACTION PLAN
FACILITY ID: 13-18-03-1627**

Dear Mr. Hocevar:

On October 10, 2003, the Cleveland Local Air Agency (CLAA) issued a Notice of Violation (NOV) requesting that Morgan Electro Ceramics, Inc. (Morgan) submit permit to install applications, a Title V permit application, Title V Fee Emissions Reports from 1996, and notifying Morgan of an emissions limitation exceedance. CLAA is in receipt of Morgan's response to this NOV, dated October 30, 2003, (10/30 Response) and requesting that CLAA withdraw the NOV since there were no violations, due to inaccuracies and misrepresentations contained within the same. CLAA has reviewed 10/30 Response and will address all issues raised within that letter in the same order.

Failure to submit a permit-to-install (PTI) application for Finishing Equipment 6342 Vapor Degreaser

Ohio Administrative Code (OAC) Rule 3745-31-02(A)(1) prohibits any person from causing, permitting, or allowing the installation of a new source of air pollutants, or the modification of an air contaminant source, without first obtaining a PTI. In the 10/30 Response, Morgan states that it submitted a letter to Ms. Jane Bell, CLAA on February 9, 1999, stating Morgan planned on replacing emissions unit P019, a Liberty 2002-2-SP Vapor Degreaser (VPD-24) with a Finishing Equipment 6342 Vapor Degreaser. Morgan further states in this letter that based on these conversations with CLAA and the definition of modification in OAC Rule 3745-31-01(AAA), the replacement equipment would not be considered a modification.

Title 40, Part 63, Subpart T of the Code of Federal Regulations (40 CFR 63 Subpart T), Section 63.461 defines a new solvent cleaning machine to be any solvent cleaning machine constructed or reconstructed after November 29, 1993. OAC Rule 3745-31-01(ZZ) defines a new source an air contaminant source installed after January 1, 1974.

CLAA continues to agree with Morgan's statement in its February 9, 1999, letter and 10/30 Response that the Finishing Equipment 6342 Vapor Degreaser is not a modification; based on the definitions of a new source provided above, this Vapor Degreaser is a new air contaminant source and a PTI application was required prior to its installation in July of 1999.



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Failure to obtain a PTI prior to installation of a new air contaminant source is a violation of OAC Rule 3745-31-02(A)(1) and Ohio Revised Code (ORC) Sections 3704.05(F) and (G). CLAA again requests that a PTI application be submitted for this new air contaminant source.

Failure to submit a permit-to-install (PTI) application for emissions unit P001

In its NOV, CLAA stated that Morgan was required to submit a PTI application for emissions unit P001, Nyro Spray Dryer. CLAA has reviewed the 10/30 Response and determined, based on the information provided, that some of the control equipment for emissions unit P001, Bickley Ceramic Kiln and Powder Prep. Tempress Furnace (VPD-32), was replaced. Since the only items replaced were control equipment, specifically a new wet scrubber, cyclone, and pulse-jet baghouse replaced an older wet scrubber, cyclone, and wet scrubber (as stated in the 10/30 Response), these changes to emissions unit P001 did not meet the definition of modification established in OAC Rule 3745-31-01(AAA), and a PTI application is not required at this time. If Morgan changes aspects in part or entirety of P001 such that a modification, as defined in OAC Rule 3745-31-01(AAA) occurs, a PTI application is required to be submitted by OAC Rule 3745-31-02(A)(1) and a PTI issued before such changes occur.

Establishment of emissions unit P001 as "de minimus"

The PTI applications submitted by Morgan on January 28, 2002, identified emissions unit P001 as, "Nyro spray dryer, screen deck, product hopper, cyclone, and pulse-jet baghouse." Although the Nyro spray dryer, screen deck, product hopper, cyclone, and pulse-jet baghouse parts of P001 were stated to be de minimus in CLAA's April 3, 2002, letter returning the PTI application, prior permit applications from Morgan and permits issued by Ohio EPA establish that emissions unit P001 includes additional parts besides those identified by Morgan in the PTI application. By letter dated May 18, 1982, CLAA requested that Morgan submit an updated PTO application that contained the additional parts of the overall process of manufacturing PZT Transducers associated with the Bickley Bisque Kiln. Thus CLAA's April 3, 2002, letter establishing de minimus is only with regard to the description of P001 in Morgan's PTI application and not emissions unit P001 in its entirety.

Morgan supplied potential emissions calculations on April 8, 2003, as part of its notification to CLAA that it has presumed inherent physical limitations and is not subject to Title V permitting requirements, as outlined in Ohio EPA Engineering Guide 61. These calculations show the potential emissions of particulates to be in excess of 227 tons per year (tpy) and of lead to be in excess of 105 tpy. According to Morgan, these potential emissions were calculated using 1993 test data of uncontrolled emissions.

ORC Section 3704.011(A) and OAC Rule 3745-15-05(B), (de minimus exemption), establish, in part, that an air contaminant source is exempt from ORC Chapters 3704 and any rules adopted under it (OAC Chapter 3745), if the emissions of particulate matter or lead do not exceed ten pounds per day, provided that potential emissions from the source of any air contaminant shall not exceed twenty-five tpy.



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Emissions unit P001 (as a combination of all processes and not just the specific subset identified in the January 28, 2002 PTI application) cannot qualify as de minimus as the potential emissions of particulate matter and lead each exceed 25 tons per year from this source. Further, except as noted above, CLAA has never identified P001 as de minimus. The Ohio EPA has issued permits-to-operate (PTOs), developed by CLAA, for emissions unit P001 on August 1, 1975; April 4, 1980; April 4, 1983; and November 7, 1986 before finally placing the December 11, 1989, PTO application on registration status in accordance with OAC Rule 3745-35-05(B).

ORC Section 3704.011 was passed by the Ohio Legislature in 1993 and became effective on October 29, 1993 (and was further revised and effective July 22, 1994). OAC Rule 3745-15-05 became effective on April 20, 1994 (and was further revised and effective November 18, 1994, and February 3, 2000). Therefore, the assertion in the 10/30 Response that Ohio EPA and CLAA have reviewed these PTO applications and consistently and independently viewed emissions unit P001 as de minimus and not required to submit or obtain a PTO is incorrect because the rules establishing the de minimus exemption did not exist when CLAA or Ohio EPA issued its last final determination of notification of registration status on July 16, 1992.

Establishment of emissions unit P001 as insignificant

Insignificant emissions units are defined in OAC Rule 3745-77-01(U), in part, as emissions units that are:

- (1) Excluded from the requirements to obtain installation permits or operating permits under ORC Section 3704.011 or OAC Chapters 3745-15, 3745-31, or 3745-35;
- (3) Any emissions unit with uncontrolled potential emissions of five tons or less per year of any regulated air pollutant or twenty percent of an applicable major source threshold under the Clean Air Act Amendments of 1990;

Since emissions unit P001 does not qualify for the de minimus exemption contained within ORC Section 3704.011 and/or OAC Chapter 3745-15 and does not qualify for any other type of permit exemption contained within OAC Chapters 3745-31 or 3745-35, it cannot be classified as an insignificant emissions unit excluded from the requirements to obtain an installation or operating permit. Additionally, the uncontrolled potential emissions, as defined in OAC Rule 3745-77-01(MM) require the uncontrolled potential emissions to be calculated as an annual emissions rate without any air pollution controls assuming twenty-four hours per day and three hundred sixty-five days per year of operation. As established before, the uncontrolled potential to emit for emissions unit P001 is in excess of 227 tpy of particulate emissions and 105 tpy of lead emissions; therefore this source cannot be classified as insignificant and must be included as non-insignificant in any Title V permit application.

Failure to submit an Ohio EPA Title V Application

CLAA agrees with the statements in the 10/30 Response regarding the submission of an original Title V permit application in September, 1996, and their subsequent request for its withdrawal by letter from Morgan dated February 6, 1998. This Title V permit application (Control Number 000003531) was withdrawn and a letter was issued by CLAA on February 18, 1998 advising Morgan that these actions were being taken. Both the February 6, 1998 Title V permit application withdrawal letter and 10/30 Response assert that Morgan is not subject to the Title V permitting requirements of OAC Rule 3745-77-02 and 40 CFR 70 Subpart Section 70.5(a) and emissions inventories have been submitted by Morgan to CLAA as validation for this claim.



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The emissions inventories submitted, however, calculated the emissions of criteria pollutants (specifically volatile organic compounds – VOC, particulate matter – PM, and lead) and hazardous air pollutants (specifically perchlorethylene – PERC and lead compounds) based on average actual hourly emissions extrapolated to 8,760 hours per year. When the potential emissions are calculated in this manner, the facility's potential emissions and actual emissions are both less than twenty percent of an applicable major source threshold, as Morgan declared in their April 8, 2003, letter stating that the facility has presumed inherent physical limitations in accordance with Engineering Guide #61 and is not subject to Title V permitting requirements. Additionally, Morgan submitted actual emissions calculations on February 6, 1998, which showed that their annual emissions were less than twenty percent of an applicable major source threshold, which was their basis for the request to withdraw the Title V permit application (Control Number 000003531).

40 CFR 63, Subpart T Section 63.465(e)(1) states that each owner or operator of a halogenated solvent cleaner, including vapor degreasers using PERC, (a hazardous air pollutant - HAP), shall determine their potential to emit from all solvent cleaning operations using the procedures described in paragraph (e)(1) through (e)(3) of this section. The sum of the HAPs from each solvent cleaning operation and all other HAP emitting sources would be the facility's total HAP potential to emit. The methods used by Morgan to determine the potential to emit for PERC in the 10/30 Response, the April 8, 2003, letter, and the February 6, 1998, withdraw request are not calculated in accordance with 40 CFR 63 Subpart T, Section 63.465(e)(1). Specifically, the potential to emit of HAP for a single vapor degreaser must be calculated according to the following equation (copied in part from 40 CFR 63 Subpart T, Section 63.465(e)):

$$PTE_i = H_i * W_i * SAI_i$$

Where:

PTE_i = potential to emit for the solvent cleaning machine i (kilograms of solvent per year)

H_i = Hours of operation for solvent cleaning machine i (hours per year)
8760 hours per year, or other Federally enforceable requirement

W_i = Working mode uncontrolled emissions rate (kilograms per square meter per hour)
1.95 kilograms per square meter per hour for batch vapor machines

SAI_i = Solvent/air interface of the solvent cleaning machine i (square meters)

Sum the PTE_i for all solvent cleaning operations to obtain the total potential to emit for solvent cleaning operations at the facility.

Since 40 CFR 63, Subpart T defines how potential to emit is to be calculated, Engineering Guide #61 cannot be used since it does not contain Federally enforceable limitations restricting the hours of operation or emissions within the requirements of 40 CFR 63, Subpart T. Also, 40 CFR 63 Subpart T, Section 63.468(j) states that any owner or operators of any solvent cleaning machine that is itself a major source or is located at a major source, is subject to Title V permitting requirements. Therefore, Morgan cannot claim it has any presumed inherent physical limitations and is subject to Title V permitting requirements.



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Since Morgan has not calculated their potential emissions of PERC to date using the equations and methods contained in 40 CFR 63, Subpart T, CLAA continues to assert the following:

1. Morgan is subject to the Title V permitting requirements of OAC Rule 3745-77-02(B) for its initial operations, as it was a major source of HAPs (defined in OAC Rule 3745-77-01(W)(1)), and a completed Title V permit application was required to be submitted by September 30, 1996. Morgan has violated OAC Rule 3745-77-04(B), ORC Sections 3704.036(C), 3704.05(F), (G), and (J)(2), and 40 CFR 70 Section 70.5(A)(1) since September 30, 1996, because it requested that CLAA withdraw its initial Title V application (Control Number 000003531) on February 6, 1998.
2. Morgan's installation of a new major source of HAPs (Baron Blakeslee Open Top Vapor Degreaser - L001) in December of 1997 required a completed Title V permit application to be submitted by December of 1998. Morgan has violated OAC Rule 3745-77-04(D), ORC Sections 3704.036(C), 3704.05(F), (G), and (J)(2), and 40 CFR 70 Section 70.5(A)(1) since December of 1998.
3. Morgan's installation of a new major source of HAPs (Finishing Equipment 6342 Vapor Degreaser - replace P019) in July of 1999 required a completed Title V permit application to be submitted by July of 2000. Morgan has violated OAC Rule 3745-77-04(D), ORC Sections 3704.036(C), 3704.05(F), (G), and (J)(2), and 40 CFR 70 Section 70.5(A)(1) since July of 2000.

Failure to pay associated Title V fees

Since Morgan is a Title V major facility and required to submit a Title V permit application, it is also required to submit Title V fee emissions reports. CLAA has no record of any Title V fee emissions reports being submitted or Title V fees being paid. Failure to submit Title V fee emissions reports is a violation of OAC Rule 3745-78-02(A) and ORC Sections 3745.11(C)(1) and 3704.05(G), since June 15, 1994 and ORC Sections 3745.111(A) and 3704.05(G) since May 1, 1993.

Exceedance of the three month rolling average emission limitations

CLAA agrees with the 10/30 Response and looks forward to reviewing the results of Morgan's root cause investigation.

Request for information

CLAA accepts the information submitted with the 10/30 Response, however, continues to insist that a completed PTI application for Finishing Equipment 6342 Vapor Degreaser (which replaced P019) is required, for reasons outlined in the appropriate section of this letter. CLAA does not require a PTI application for emissions unit P001, also for reasons outlined in the appropriate section of this letter.

The Cleveland Division of Air Quality is the appropriate permitting authority for permit applications. ORC Section 3704.111 states that the Director of Ohio EPA shall enter into delegation agreements with each local air pollution control authority contained within division 3704.01(N). The Cleveland Division of Air Quality is the successor of the Cleveland Division of Environment with regard to air pollution control within Cuyahoga County and our operating contract with the Director reflects this. The Ohio EPA refers to the Cleveland Division of Air Quality as the Cleveland Local Air Agency (CLAA), and the Director's delegation extends to giving CLAA the ability to accept permit applications to draft permits. The only permit application that is not sent directly to CLAA would be a Title V permit application, which is



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submitted to CLAA / Ohio EPA through STARShip, as required by OAC Rule 3745-77. The hardcopy of the electronic STARShip receipt of a permit application with an original signature of the responsible official is required to be submitted to CLAA as proof that the permit application was submitted through STARShip. Therefore, CLAA disagrees with Morgan's statement that our office is not the appropriate permitting authority and requests that all future air pollution control permit applications, correspondence, and reports be submitted to CLAA, unless otherwise specifically directed by Ohio EPA or CLAA.

CLAA has included additional information within this letter to explain why it asserts that Morgan is subject to the Title V permitting requirements and is required to submit a Title V permit application. CLAA's NOV specifically states that it requests Morgan address the violations contained within the NOV and submit additional information within 14 days of their receipt of the NOV. Morgan submitted a response within 14 days from their receipt (which occurred on October 20, 2003), and CLAA is issuing this letter to provide additional information and clarity to Morgan. There is no record of CLAA requiring Morgan to submit any completed Title V permit applications within 14 days.

CLAA also wishes to resolve this matter as expeditiously and appropriately as possible, however, disagrees with Morgan's allegations that there are or were any inaccuracies or misinterpretations in our NOV. The NOV was issued with the information that was available to CLAA at the time the NOV was issued, including information submitted by Morgan as a result of our inspection and other requirements. This letter reflects some changes from the original NOV due to additional information being submitted by Morgan as a result of the NOV, however, CLAA recognizes that Morgan may want even more clarification. Please contact Mrs. Valencia White at 216-664-2953 or vpillow@city.cleveland.oh.us or at the Cleveland Division of Air Quality, 1925 St. Clair Avenue, Cleveland, OH 44114 to arrange a meeting to discuss these issues.

CLAA issues this letter with Ohio EPA's concurrence and does not excuse any violations of local, state and federal laws or regulations regarding air pollution control. Violations of air pollution control laws may be pursued in local court or referred to Ohio EPA or USEPA for further enforcement action. Should you have any questions, please call Valencia White at (216) 664-2953. All correspondence with CLAA must include the Ohio EPA facility identification number for Morgan Electro Ceramics, Inc.: 13-18-03-1627.

Sincerely,

A handwritten signature in black ink, appearing to read 'George Baker'.

George Baker
Chief of Enforcement, CLAA

GB/vw

cc: Peter Morten, Morgan (Certified Mail # 7002 0510 0002 2427 7737)
Michael J. Krzywicki, CLAA
Tammy Van Walsen, Ohio EPA Central Office
Lisa Holscher, USEPA Region V
Facility File and L:\Data\Facilities\1318031627\20030918 RCAP.doc

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November 26, 2003

Ms. Valencia White
Cleveland Local Air Agency
1925 St. Clair Avenue NE
Cleveland, OH 44114

Re: Response to the November 11, 2003 Receipt of Corrective Action Plan letter and November 25, 2003 telephone conversation concerning the Morgan Electro Ceramics, Inc. Facility in Bedford, Ohio. Facility ID: 13-18-03-1627.

Dear Ms. White:

Morgan Electro Ceramics would like to thank you for the clarifications stated in the November 11, 2003 letter. Based on the telephone conversation Tuesday, November 25, 2003, we are in agreement that Morgan Electro Ceramics will submit the following documents to Cleveland Local Air Agency (CLAA) on or before January 5, 2004.

- o A complete Title V Permit to Operate Application (The application will be submitted via Ohio EPA's STARShip Program, and a hardcopy will be sent to CLAA)
- o A complete Permit to Install (PTI) Application for the current Finishing Equipment 6342 Vapor Degreaser which replaced the Liberty 2002-2-SP Vapor Degreaser (VPD-24), Ohio EPA ID P019 (The complete application will be sent to CLAA)

Based on the telephone conversation and the understanding of the November 11, 2003 letter this will satisfy the requirements of your office. Morgan Electro Ceramics would like to thank you for your cooperation in this matter. If you have any question concerning this matter please contact me at (440) 232-8600, ext. 278.

Sincerely,



William J. Hovevar, Facility Manager - Morgan Electro Ceramics, Inc.

cc: Peter Morten, President - Morgan Electro Ceramics, Inc.
Al Metcalfe, Production Manager - Morgan Electro Ceramic, Inc.
Mike Wentzel, Corporate EH & S Manager - Morgan Advanced Ceramics
Aileen Meyer, Pillsbury Winthrop LLP
Matt Kupcak - KMK Environmental, Inc.
George Baker - CLAA

